



What's New for Sales Tax in 2015

Act 1411: Reduces the state sales and use tax rate for electricity and natural gas used in manufacturing by eligible manufacturers classified in section 31 through 33 of the North American Industry Classification System (NAICS) and eligible high efficiency generators of electric power. Cotton gins classified under NAICS code 115111 will also be eligible for the reduced rate effective July 1, 2014. The state rate for manufacturers under NAICS code section 31 through 33 and 115111 will have a state rate of 1.625% beginning July 1, 2014 and a tax rate of 0.625% beginning July 1, 2015. Eligible high efficiency generators of electric power will have a reduced state rate of 1.625% beginning January 1, 2015. Eligible taxpayers must obtain a certificate from Sales Tax as provided below in order to claim the reduced rate unless a certificate has already been issued.

Tax rates for manufacturers in NAICS Code 31 through 33

Through June 30, 2013	2.75%
July 1, 2013 through June 30, 2014	3.25%

Tax rates for manufacturers in NAICS Code 31 through 33 and Cotton Gins in NAICS Code 115111

July 1, 2014 through June 30, 2015	1.625%
July 1, 2015	0.625%

Tax Rates for Eligible Electricity Generators

January 1, 2013 through June 30, 2013	4.25%
July 1, 2013 through December 31, 2013	4.75%
January 1, 2014 through December 31, 2014	3.25%
January 1, 2015	1.625%

To obtain additional information or the necessary forms to apply, please contact the Sales and Use Tax Section, P O Box 1272 – Room 1330, Little Rock, AR 72203-1272, phone number 501-682-7104. Information will also be available on our website as it becomes available: www.dfa.arkansas.gov.